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LATE NEWS

Bean production in 12 countries in North America and Western Europe is indicated to be about equal to a year ago. The quality of some of the beans in the United States and Northern Europe is low, however, due to unfavorable harvest weather. This will result in the quantity of salable beans being considerably less than the estimated production. The demand for beans is strong in Europe and prices have risen in recent months.

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An additional 1954-55 export quota for Bengals cotton was announced by the Government of India on November 12, 1954, increasing the total allocation from 50,000 to 75,000 Indian bales, or from 40,800 to 61,250 bales of 500 pounds gross.

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An increased export tax on Indian Bengals cotton became effective November 12, 1954, changing the tax from 125 to 150 rupees per bale, or from 6.68 U. S. cents per pound to 8.02 U. S. cents per pound. The Government of India reduced the tax on all other varieties eligible for export license from 200 to 150 rupees per bale, or from 10.69 U. S. cents per pound to 8.02 U. S. cents per pound. Varieties on which the tax was reduced include: Mathias, Dholleras, Kalagins, CP I and II, Central India Desi, and Oomra Desi.

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FOREIGN CROPS AND MARKETS

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WORLD WOOL PRODUCTION CONTINUES UPWARD TREND

World wool output for the 1954 season is estimated at a record level of 4,430 million pounds, about 10 million pounds above the Foreign Agricultural Service's preliminary forecast in June. This estimate represents an increase of 70 million pounds over the 1953 output, 460 million above 1950 and 500 million above the prewar level. Most of the producing countries will show an increase, or at least maintain production equal to last year. The chief exceptions are Argentina and the Soviet Union.

Wool prices during the current year continued relatively favorable to producers generally. Stocks have shown little increase over a year earlier and the indicated increase in world production is less than 2 percent.

Commercial stocks of apparel wool on July 1, based on the prevailing rate of consumption, were equal to only a 4 or 5 month supply. Total stocks, including the United Kingdom's strategic stockpile, Commodity Credit Corporation stocks, and stocks afloat, were near the relatively low level of July 1, 1951.

However, the prospects of a new clip which represented some 50 million pounds, clean basis, above the prevailing rate of consumption resulted in a drop of some 10 to 15 percent in wool prices at the opening of the Australian auctions as compared to the end of last season. Prices at Australian auctions have fluctuated downward since September 1 with a recent tendency to strengthen.

The over-all consumption of wool in the principal consuming countries showed a slight improvement during the second quarter of 1954. This was the first improvement in 12 months. World consumption for the April-June period represented a decline of only 10 percent from the record seasonal high of a year earlier. Apparently no significant change occurred in consumption during the third quarter of 1954.

The bulk of the expected increase in wool output in 1954 will occur in Australia, New Zealand, the Union of South Africa and Uruguay. In Australia, sheep numbers continue to increase and fleece weights should at least be equal to last year. Increases in sheep numbers are partially responsible for the expected gain in production in New Zealand, Union of South Africa and Uruguay. However, in New Zealand better rabbit control in high country areas, along with progressive pasture improvement, is expected to be evident in increased fleece weights this year. In South Africa heavier fleeces are expected due to favorable weather conditions in all of the sheep areas.

Earlier estimates for Argentina suggested that the Argentine production would be larger in 1954. Thus the downward trend of recent years would have been reversed. But, extensive drought in Patagonia last summer and a harsh winter in Santa Cruz have resulted in a considerable decline in prospects for Southern Argentina. The declines in output there will more than offset increases expected for the northern area. Some trade sources even expect this net decline to approach 20 million pounds.

WOOL: Production in specified countries, greasy basis, averages 1936-40 and 1946-50, annual 1951 to 1954 1/

Continent and Country	Averages 1936-40	Averages 1946-50	1951	1952	1953 2/	1954 2/
	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds
NORTH AMERICA						
Canada	15.6	12.4	6.9	7.7	8.6	9.0
Mexico	10.3	11.4	13.7	13.2	12.8	13.0
United States						
Shorn	360.6	238.5	225.5	232.4	230.3	229.4
Pulled	64.7	46.5	25.9	33.6	41.0	-
Total	425.3	285.0	251.4	266.0	271.3	272.0
Estimated Total 3/	451.7	309.4	272.5	287.5	293.3	294.6
EUROPE						
Finland	2.7	3.2	4.4	4.5	4.5	4.5
France	37.1	30.6	40.0	41.9	41.9	43.1
Germany, Western	21.7	17.3	15.4	14.8	13.7	12.0
Greece	19.3	17.4	17.0	19.2	20.3	22.3
Ireland	17.2	13.1	14.0	15.4	16.5	17.5
Italy	30.4	30.2	35.5	35.0	34.8	35.0
Netherlands	6.1	5.4	6.5	6.5	6.5	6.5
Norway	5.9	6.4	7.7	7.8	7.9	8.0
Portugal	16.3	18.4	22.0	22.0	22.5	22.7
Spain	70.0	83.2	90.0	93.0	94.0	95.0
United Kingdom	110.1	81.2	91.8	102.0	105.1	107.9
Yugoslavia	34.7	30.0	32.5	33.0	35.0	35.0
Total Western Europe	378.8	343.6	384.1	402.2	409.7	416.5
Other Europe. 4/	104.5	82.2	92.2	92.9	93.6	93.6
Estimated total (Excl. U.S.S.R.) 5/ 6/	488.3	425.8	476.3	495.1	503.3	510.1
U.S.S.R. (Europe and Asia) 5/	310.2	311.5	380.0	400.0	400.0	390.0

ASIA						
Iran	36.3	29.3	34.2	36.6	37.5	38.6
Iraq	21.6	27.3	30.0	32.0	32.0	32.0
Lebanon	-	-	2.4	2.5	1.5	2.6
Syria	10.7	12.2	15.0	19.6	20.3	21.0
Turkey	67.7	70.7	72.9	77.9	81.3	79.3
Afghanistan	15.0	16.4	18.0	-	-	-
China 7/	88.0	75.0	-	-	-	-
India 8/	72.9	51.8	52.0	58.0	56.0	58.0
Japan	-	-	3.2	4.5	5.3	5.0
Pakistan	-	26.4	27.2	30.0	30.0	31.0
Estimated total 9/	344.2	355.6	374.8	399.1	401.9	405.5
SOUTH AMERICA						
Argentina	411.0	449.8	420.0	407.0	400.0	390.0
Brazil	35.5	42.7	51.8	50.7	52.5	53.0
Chile	32.6	42.3	41.9	44.1	39.7	38.0
Falkland Islands	4.0	4.2	4.2	4.4	5.0	5.0
Peru	19.4	18.8	19.6	19.8	20.1	20.3
Uruguay	126.2	162.9	187.4	189.8	202.5	210.0
Estimated total 10/	638.9	733.4	736.5	727.7	731.7	728.2
AFRICA						
Algeria	22.6	16.2	22.8	28.0	29.0	26.0
Egypt	7.5	6.7	6.6	7.0	8.0	8.0
French Morocco	35.1	27.2	35.3	36.0	31.5	31.0
Tunisia	12.0	9.9	12.0	11.0	12.0	12.0
Union of South Africa 11/	252.3	215.9	240.0	256.8	264.6	280.0
Estimated total 12/	336.8	281.9	323.5	345.6	351.9	364.4
OCEANIA						
Australia	1,051.9	1,060.0	1,080.0	1,281.1	1,244.0	1,300.0
New Zealand	313.8	371.6	406.7	418.0	425.0	434.0
Estimated total	1,365.9	1,431.7	1,486.8	1,699.2	1,669.1	1,734.1
Estimated world total 13/	3,930.0	3,850.0	4,050.0	4,350.0	4,360.0	4,430.0

1/ For summary purposes wool produced mostly in the spring in the Northern Hemisphere is combined with that produced in the season beginning July 1 or October 1 of the same year in the Southern Hemisphere. Pulled wool is included for most countries at its greasy equivalent. 2/ Preliminary. 3/ Includes estimates for Newfoundland, Netherland West Indies, Guatemala, and El Salvador. 4/ Includes the Iron Curtain Countries, (Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Rumania and Eastern Germany). 5/ Based on present boundaries. 6/ Includes estimates for countries producing 2 million pounds or less, namely Belgium, Denmark, Iceland, Sweden and Switzerland. 7/ Includes China Proper (22 provinces) Manchuria, Jehol and Sinkiang (Turkestan). 8/ Includes Pakistan. 9/ Includes estimates for Afghanistan, Cyprus, Palestine, Transjordan, Outer Mongolia, Tibet, Nepal and China. 10/ Includes relatively small production in Bolivia, Colombia, Ecuador, Paraguay and Venezuela. 11/ Excludes karakul wool; includes Union of South Africa, Union Protectorate and South West Africa. 12/ Includes estimates for Kenya, French West Africa and Togo. 13/ Rounded to tens of millions.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attaches and other U.S. representatives abroad, results of office research and other information. Estimates for countries having changed boundaries have been adjusted to present boundaries except as noted.-November, 1954.

In the United States shorn wool production is forecast at 229.4 million pounds as compared to 230.3 million in 1953. However, pulled wool production is now expected to be larger than last year. Total output in 1954 may be a little larger than a year earlier.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

WORLD COFFEE PRODUCTION FOR 1954-55 NOW FORECAST AT 41.8 MILLION BAGS

Total world production of green coffee for the marketing year 1954-55 is forecast now at 41.8 million bags (of 132.276 pounds each). Offsetting the reduced estimates from many Central American areas and Angola were the upward revisions of production in Mexico, Indonesia, Ethiopia and Uganda.

The previous forecast of 18.0 million bags total production for Brazil is maintained. On this basis registered production for Brazil would total 14.9 million bags after allowance of about 3.1 million bags for unregistered consumption. Instituto Brasiliero do Cafe estimates of registered production are now reported to be 14.5 million bags or within 400,000 bags of the previous USDA forecast. Until recently Instituto Brasiliero do Cafe had maintained that registered production would total no more than 13,500,000 bags.

The estimate for 1953-54 is revised upward by 232,000 bags to a total production of almost 41.7 million bags, as final export data from various producing countries indicate a larger production for that season. The forecast for world exportable production for the marketing season 1954-55 is 33.7 million bags, compared with 33.8 million bags (revised) for 1953-54 and 32.6 million bags for 1952-53.

Import and price data now available are combining to clear the once confused coffee picture as it pertained to the United States. It has been apparent that United States importers pressed the market last winter for green coffee greatly in excess of normal requirements. It is also apparent that the housewife resisted high prices, powdered coffee sales jumped, lower grade (and lower price) coffees were used in the United States and the use of substitutes for coffee increased. These factors affected a further increase of available coffee supplies through partial non-use of coffee. The factor which was not so readily apparent particularly to the producing countries which endeavored to stabilize prices at the higher levels, was the fact that the United States was not forced to dip into normal inventories until about mid-September. Since that month, requirements above imports have been supplied from normal inventories (about 60 days supply).

GREEN COFFEE: World total production, averages 1935-36/1939-40 and 1946-47/1950-51, annual 1952-53, 1953-54 and 1954-55, exportable production 1954-55

Continent and country	Averages 1935-36/1939-40	Averages 1946-47/1950-51	1952-53	Preliminary 1953-54	Forecast 1954-55 Total Production	Forecast 1954-55 Exportable Production
	1,000 Bags 1/	1,000 Bags 1/	1,000 Bags 1/	1,000 Bags 1/	1,000 Bags 1/	1,000 Bags 1/
North America						
Costa Rica	390	370	551 2/	383 2/	506	448
Cuba	425	564	445	530 3/	500	0
Dominican Republic	347	348	442 2/	557 2/	450	340
El Salvador	1,091	1,203 2/	1,368	1,070 2/	1,380	1,230
Guatemala	1,002	1,044 2/	1,149 2/	1,140 2/	1,175	975
Haiti	538	617 2/	616 2/	720 2/	440	240
Honduras	57	131	197	249 3/	200	155
Mexico	959	1,004 2/	1,460 2/	1,350 2/	1,750	1,550
Nicaragua	280	293 2/	372	340	390	340
Others 4/	251	311	420	538 3/	500	300
Total	5,340	5,885	7,020	6,877	7,291	5,578
South America						
Brazil	25,340	18,704	19,170 5/	19,000 5/	18,000	14,100
Colombia	4,452	5,840	6,405 2/	6,800	7,100	6,400
Ecuador	254	280	389	380	425	385
Peru	80	93	128	153	175	95
Venezuela	940	698 2/	950 2/	650 2/	840	580
Others 6/	83	26	41	39 3/	40	15
Total	31,149	25,641	27,083	27,022	26,580	21,575
Africa						
Angola	300	816	917	1,000 2/	750	733
Belgian Congo	320	538	600	563	600	590
Ethiopia	345	363 2/	700 2/	628 2/	800	750
French West Africa	250	940	983	1,500	1,600	1,500
Kenya	297	156	215	190	201	193
Madagascar	537	467	689	725	750	690
Tanganyika	263	240	168	339	339	332
Uganda	225	514	440	491 2/	700	690
Others 7/	65	297	401	438 3/	440	410
Total	2,602	4,331	5,113	5,874	6,180	5,888
Asia & Oceania						
India	278	309	384	501	373	93
Indonesia	1,961	485	1,008 2/	1,100 2/	1,080	430
Yemen	80	99	67	80 3/	70	63
Others 8/	176	182	221	222 3/	222	105
Total	2,495	1,075	1,680	1,903	1,745	691
World Total Production	41,586	36,932	40,896	41,676	41,796	
World Exportable Production	35,017	28,900	32,641	33,806	33,732	

1/ Bags of 132.276 pounds each. 2/ Revised. 3/ Office estimate. 4/ Includes British West Indies, Panama and Puerto Rica. 5/ Production as estimated by the Federal Trade Commission. 6/ Includes Bolivia, Paraguay and Surinam. 7/ Includes French Cameroons, French Equatorial Africa, Togoland, Liberia, Sao Thome and Prencipe, Sierra Leone, Spanish Africa, and Gold Coast. 8/ Includes Indochina, Philippines, New Hebrides, New Caledonia, Hawaii and North Borneo.

While hand to mouth buying has continued to a large extent, the stock situation has made necessary the imports of coffee more in line with monthly United States consumption requirements. With the 1954-55 crop of coffee now moving to market from non-Brazilian sources and supplies are more liberal and point to a continued buyer's market with increasing carry-overs in the exporting countries.

The pattern of imports and consumption in Europe closely paralleled that of the United States during the past year with the exception that the Europeans apparently maintained their stock position through October at a reported 3 months supply of coffee.

FRENCH CITRUS IMPORT REGULATIONS AMPLIFIED

Revised regulations governing the importation of citrus fruits into France were published in Foreign Crops and Markets of November 8, 1954 (Vol. 69, No. 19). Subsequently, it was learned that the regulations will require little or no change in the packing and handling of citrus fruits imported into France. The regulation may be regarded more as a guide than as an order to be strictly enforced.

Specific comment has been received as follows:

> "The official of the Secretariat for Economic Affairs who drafted the notice stated that it does not require citrus fruit to be individually wrapped, nor does the origin of the fruit have to be indicated on the wrapper, provided the origin is indicated on the box, carton or other container, as in the past. He also stated that the principal purpose of changes in the order was to stop bulk shipments of citrus. These come almost solely from Spain.
>
> "It is not anticipated that any administrative difficulties will be encountered by French importers of United States citrus fruit if present shipping practices are continued by United States shippers. The principal difficulty this year has been the arrival of oranges and grapefruit of inferior quality. Greater care should be exercised by United States exporters to send only good, marketable fruit of proper maturity, that will stand shipment to Europe and a considerable amount of reshipment and handling within Europe."

IRAQ EXPECTS LARGER TOBACCO CROP THIS YEAR

Preliminary estimates place this season's tobacco crop in Iraq at 17.6 million pounds compared with 15.9 million pounds a year ago. Domestic consumption is expected to take about 15.4 million pounds with 2.2 million going into surplus. Present plans are to store this surplus as a reserve to provide for increasing consumer demand.

U. K. TO PURCHASE MORE
CANADIAN TOBACCO

Manufacturers are now starting negotiations for the purchase of this year's bumper Canadian flue-cured crop and indications are that the price will be slightly lower than that received last year. Overseas importers are said to be planning large purchases at this lower price. The British Board of Trade has agreed to increase dollar allocations for the purchase of Canadian tobacco this year, with the understanding that the increases may, if necessary, be deducted from next year's dollar allotments. Press reports state that the United Kingdom bought 12 million dollars worth of Canadian tobacco last year and purchases this year may rise to more than 18 million dollars.

OUTLOOK FOR U. S. IMPORTS OF WINTER
VEGETABLES FROM MEXICO AND CUBA

While the acreage of winter vegetables in Mexico is about 10 percent less than last year, the supply available for export is expected to be about the same as last season. The current season will be late in starting because of damage to plantings caused by excessive rains. Tomatoes in the Tamaulipas area are suffering from excessive rains and more favorable weather conditions are needed for normal development.

In Cuba, growing conditions have been excellent. However, growers are continuing to reduce acreage and it is unlikely that imports from Cuba will equal those of last year.

BURMA RICE
MARKETING

Rice exports from Burma during 1954 probably will be between 1.4 and 1.5 million long tons (1 long ton = 2,240 pounds) in terms of milled rice. Reports on total exports and exports by country of destination will be published later. Official reports on total exports are available only through August, and for the January-August period exports of rice and rice products amounted to 1,026,000 tons, including 68,000 tons of bran. August exports were 102,000 tons. Trade sources report the January-September exports were 1,110,000 tons, including bran.

In 1953 January-September shipments were 860,000 tons, and October-December exports were only 189,000 tons. Indications are that this year's shipments for the October-December period will be at least 50 percent above those of last year and may be as much as double that figure.

Although rice exports generally were substantially above the 1953 level throughout the first 10 months of 1954, they were not large enough to cause a major reduction of carry-over stocks. Indications are that exports this year will about equal the exportable surplus from the 1953-54 crop, or in other words, the year-end carry-over would theoretically about equal that of 1953.

Actually the carry-over of rice salable for food-use is almost certain to be much less than that in 1953. Probably at least 100,000 tons of the 800,000 tons plus of old-crop rice on hand at the beginning of the year have been lost as a result of unusual damage by insects and of remilling, and 400,000 tons of this rice will have been exported to India and other countries. It seems unlikely that a market for food use can be found for the remainder, now estimated at around 300,000 tons. If this proves to be the case, then Burma's effective carry-over will be about 500,000 long tons. Of this quantity probably 200,000 tons will be needed to complete shipment of the 900,000 tons purchased by India and the unsold effective carry-over will be about 300,000 tons.

Burma has agreements with Japan, Ceylon, the Ryukyu Islands, Mauritius, and Indonesia for rice sales in 1955. In 1954 these areas purchased 620,000 tons and are committed to buy a minimum of 470,000 tons in 1955. A Burmese mission departed for Peiping on September 6 to discuss rice sales, but as yet no results have been announced. The fortunes of Burma's rice market at this time appear to depend largely upon whether India and/or Communist China make substantial purchases. If one or both of these countries do not take a large quantity, Burma may find it difficult to market the rice available in 1955.

The Indian Director General of Food visited Burma in September reportedly to expedite rice shipments. Indications are that his visit resulted in a greater measure of agreement on quality than had hitherto prevailed and that shipments may move faster in the coming months. The end of the monsoon rains will permit faster handling of rice and should expedite shipments to India and to other countries. Also virtually all rice now being shipped to India is from the 1953-54 crop and quality problems are much less than was true when 1952-53 rice was being shipped.

JAPAN SIGNS RICE AGREEMENT WITH THAILAND

In a Japan-Thailand trade agreement signed November 6, Japan agreed to purchase 400,000 metric tons (882 million pounds) of Thai rice during the year ending August 31, 1955. This rice must be of good quality, containing not more than 10-percent broken rice. "Yellow" rice will not be accepted by Japan. There appears to be some doubt in Tokyo that 400,000 tons of this type of rice will be available in Thailand, and that actual procurement may not exceed 300,000 metric tons (661 million pounds). Japan imported about 450,000 metric tons (992 million pounds) from Thailand in 1953-54, when import requirements were heavy because of a poor domestic crop.

CANADA'S GRAIN CROP DOWN

Canada's 1954 grain production is sharply below the large 1953 outturn and is also considerably smaller than earlier season estimates indicated, according to a recent release of the Dominion Bureau of Statistics.

The reduction since the previous forecast, released September 15, is attributed to a prolonged period of adverse harvesting conditions over most of the country during September and October. Both yields and quality were sharply reduced by the unfavorable conditions. The combined effects of the worst rust epidemic on record for the Prairie Provinces, severe losses from sawflies, hail, wind, excessive moisture during August, and frost in the latter part of September account for drastic reductions in estimates during the current season.

Harvesting has been somewhat later than usual and had not been completed on October 15. The latest estimates are based on information as of that date but do take into account the fact that harvesting had not been completed. By November 1, harvesting had been virtually completed in Manitoba and southern Alberta. Small proportions of the grain harvest remained uncompleted in northern Alberta and about 5 percent of the wheat, barley and oats remained to be threshed in Saskatchewan.

Production of wheat in Canada is now officially estimated at 299 million bushels, less than half the 1953 harvest of 614 million bushels. The present low estimate contrasts with the official August forecast of 513 million bushels. The wheat crop this year is the smallest since 1943 and is about 35 percent below the average of the past 10 years. Low yields account for the bulk of the reduction from the 1953 crop, though acreage was about 5 percent below the 1953 acreage. Yields per acre are strikingly reduced from those of a year ago, with the current estimate of 12.3 bushels per acre compared with 24.1 bushels last year and the long-time average of 16.7 bushels per acre. In addition to severe losses in yield, the 1954 crop has also suffered serious deterioration in quality.

Only about 41 percent of the 1954 wheat crop falls in the four top grades of hard spring wheat, while 55 percent is of No. 5 grade or lower and considered primarily as feed wheat. The remainder is made up of winter wheat and durum. This means that, in terms of milling wheat, the current harvest is the smallest of the past 35 years. The high quality of the near-record carry-over on August 1, however, assures liberal supplies of milling grades for both export and domestic use.

The wheat crop on the Prairie Provinces is now estimated at 272 million bushels, made up of 151 million in Saskatchewan, 95 million in Alberta and 26 million in Manitoba. Average yields in Saskatchewan, the ranking wheat producer, are estimated at 9.7 bushels per acre, compared with 23.3 bushels per acre in 1953. Estimates for spring wheat include estimates for durum, which is now placed at only 6.6 million bushels, despite an increase of two thirds over the 1953 acreage. The sharp reduction in average yields of durum is due to the severe rust infection on this crop in both Manitoba and Saskatchewan.

Production of oats for grain is currently placed at 313 million bushels, 23 percent below the 1953 harvest, despite some increase in acreage.

This is the smallest oats harvest since 1947. Yields this year averaged 30.8 bushels per acre compared with 41.4 bushels last year and the long-time average of 31.6 bushels per acre. Production in the Prairie Provinces is estimated at 196 million bushels, a smaller proportion of the total crop grown there than in the case of the other major grains.

The barley harvest is estimated at 176 million bushels, compared with 262 million in 1953 and the average of 189 million bushels for the past 10 years. Reduced acreage as well as lower yields accounted for the smaller harvest this year. Yields averaged 22.4 bushels per acre, compared with 29.4 bushels in 1953 and the long-time average of 24.7 bushels. The Prairie Provinces produced an estimated 167 million bushels.

Sharp decreases in the area seeded to both fall and spring rye, together with lower yields in all Provinces, have resulted in a 1954 rye crop slightly less than half that of 1953. Total rye production is estimated at 14.2 million bushels, compared with the 1953 harvest of 28.8 million and the average of 15.6 million for the past 10 years. Of the current crop, 11.9 million bushels were fall rye and 2.3 million were spring rye. All but 2 million bushels of the total was grown in the Prairie Provinces.

Production of mixed grains, grown mainly in eastern Canada, is estimated at 65 million bushels, slightly above the 1953 harvest of 62 million bushels. Acreage was larger than in 1953, offsetting a decline in yields. Production of shelled corn is estimated at a record 23 million bushels. This is much above the average of 13.6 million bushels for the past 10 years and is about 2 million bushels larger than in 1953, because of increased acreage. The bulk of the corn crop is produced in Ontario.

YUGOSLAVIA MAY BECOME MARKET FOR U. S. SEED

Yugoslavia may become a potential market for United States seed if a proposed program for livestock forage improvement in that country is carried out, according to a recent first-hand study by W. H. Youngman, Foreign Agricultural Service seed marketing specialist. Yugoslavia has been an exporter of clover and alfalfa seed for many years, but the plans announced by its Government officials call for a material improvement of forage resources so that the livestock industry may regain its former position in the national economy. This program undoubtedly will increase the seed requirements above present levels of production.

Initially, these pasture and forage improvement programs will not require substantial imports of grass and legume seeds. However, as they develop it is anticipated that imports of a variety of hay and pasture seeds will be needed to meet the wide range of soil and climatic conditions of Yugoslavia.

A well organized system of experiment stations throughout Yugoslavia is testing various kinds and varieties of crops to determine those best adapted to the various areas, which range from sub-tropical fruit lands to cool mountain meadows. Their results are passed on to the Committee for variety approval before the Government Seed Import-Export Agency starts procurement.

Vegetable and flower seeds, of which there is no domestic production, may be imported rather freely but the quantity imported is sometimes limited by dollar availability.

Under the recently adopted Seed Law, restrictions on seed imports are much the same as they are in the United States - minimum purity and germination, weed seed limitations (dodder is prohibited) and freedom from diseases and insect pests.

CANADA SEEDS SMALLER WINTER GRAIN ACREAGE

Preliminary estimates of the area seeded to winter wheat and rye in Canada for harvest in 1955 indicate decreases of 10 and 16 percent, respectively, from 1953 acreage under those grains. The Dominion Bureau of Statistics release carrying the current estimates points out, however, that current estimates are subject to revision on the basis of results from the Bureau's annual acreage survey.

In Ontario, the principal producer of winter wheat in Canada, the tentative estimate is 639,000 acres, compared with 710,000 in 1953. The condition of the crop in mid-October was generally average or better.

The area seeded to fall rye is tentatively set at 568,000 acres, 16 percent below the 1953 acreage. Decreases are estimated for all Provinces except Manitoba, where the acreage is expected to be unchanged from that of 1953. Alberta showed the largest proportional decrease, with a 25 percent reduction, but Saskatchewan, where almost half the fall rye acreage is located, showed the largest absolute decline -- 54,000 acres.

WORLD PEANUT PRODUCTION MAY APPROXIMATE THE 1953 RECORD

Another large world peanut crop appears to be in prospect this year. The preliminary forecast of the Foreign Agricultural Service places production at 12 million short tons or virtually the same as the record outturn estimated to have been produced last year. This volume of production would be one-fourth more than the average prewar output.

The most significant change now apparent in the world pattern of production as compared with 1953 is the sharp decline in the United States crop. This, however, may be offset by larger harvests in Argentina, Brazil and Mexico and possible increases in China and India.

PEANUTS 1/: Acreage and production in specified countries and the world, averages 1935-39 and 1945-49, annual 1952-54

Continent and country	Acreage 2/					Production				
	Average		1952	1953	1954 3/	Average		1952	1953	1954 3/
	1935-39	1945-49				1935-39	1945-49			
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
NORTH AMERICA										
Mexico	33	79	136	148	148	12.2	37.4	77.0	55.0	88.0
United States	1,659	3,056	1,464	1,541	1,513	614.7	1,046.3	685.8	794.2	535.7
Cuba	-	78	-	-	- 4/	8.4	19.2	-	-	-
Dominican Republic	-	44	-	-	- 4/	3.8	12.2	17.6	-	-
Total 5/	1,740	3,260	1,680	1,770	1,740	640.0	1,116.5	786.5	875.5	650.0
EUROPE										
Italy	4/ 2	9	11	11	-	1.6	6.3	9.2	8.9	-
Spain	6/ 24	16	25	-	- 6/	23.3	11.7	15.4	-	-
Total (excl. U.S.S.R.) 5/	35	35	50	50	50	28.0	21.0	32.5	30.0	30.0
U.S.S.R. (Europe and Asia)	4/ 29	-	-	-	-	-	-	-	-	-
ASIA										
Turkey	6/ 3	4/ 7	12	-	- 4/	1.9	2.8	13.2	-	-
Burma	784	635	723	794	7/ 814	192.2	141.7	200.0	214.3	-
China proper	4/ 3,639	4/ 3,755	-	-	- 4/	2,913.4	2,820.6	2,370.0	2,315.0	2,500.0
Manchuria	-	-	-	-	-	121.0	-	-	-	-
India	7,535	9,923	11,850	11,356	11,800	3,295.7	3,750.9	3,230.1	4,224.6	4,256.0
Indochina	4/ 42	6/ 20	35	-	- 4/	16.0	6/ 5.6	8.8	-	-
Indonesia	8/ 572	4/ 8/ 414	815	741	- 8/	289.1	8/ 202.3	402.9	383.6	-
Japan	4/ 19	4/ 17	62	62	-	14.6	13.4	38.4	44.6	-
Philippine Republic	18	4/ 27	62	63	-	4.7	4/ 5.7	17.0	18.7	-
Taiwan (Formosa)	4/ 77	114	200	-	-	38.5	44.6	66.0	66.0	75.0
Thailand	-	-	176	178	-	-	24.3	84.0	83.8	-
Total (excl. U.S.S.R.) 5/	12,835	15,115	17,115	16,625	17,690	6,900.0	7,145.0	6,594.0	7,536.0	7,740.0

SOUTH AMERICA										
Argentina	4/ 207	292	350	433	7/ 469	87.3	136.1	170.5	224.9	272.8
Brazil	-	200	349	316	334	6/ 14.8	85.0	159.8	153.1	176.0
Paraguay	4/ 29	4/ 30	38	50	-	4/ 19.4	14.2	-	-	-
Uruguay	5	23	19	14	15	1.2	7.5	3.6	4.3	4.8
Total 5/	320	565	780	835	890	129.0	251.0	354.0	405.0	476.0
AFRICA										
Anglo-Egyptian Sudan	43	4/ 100	67	-	-	8.1	4/ 20.2	23.0	-	-
Belgian Congo	6/ 243	484	739	745	-	6/ 65.1	6/ 159.8	215.2	198.5	-
Tanganyika	4/ 277	4/ 137	210	-	-	9/ 23.4	4/ 26.0	47.4	-	-
Uganda	4/ 156	338	350	-	-	6/ 78.3	170.0	168.0	-	-
Gambia	-	4/ 210	-	-	-	9/ 58.1	4/ 70.4	64.8	63.0	-
Egypt	23	25	27	32	-	17.2	18.8	22.2	26.8	-
French Equatorial Africa	4/ 10/ 91	4/ 10/ 47	-	-	-	4/ 10/ 17.6	4/ 10/ 17.0	-	-	-
French Cameroon	4/ 279	4/ 306	306	289	-	36.0	67.3	95.4	81.0	-
French West Africa	11/ 3,185	12/ 2,910	3,040	3,165	3,165	11/ 785.0	12/ 890.0	925.0	1,050.0	1,000.0
Madagascar	14	29	63	67	-	6.6	8.1	25.8	24.5	-
Mozambique	-	-	-	-	-	9/ 42.9	28.3	11.0	-	-
Nigeria and Cameroons	-	-	-	-	-	4/ 600.0	12/ 617.0	965.0	950.0	950.0
Angola	18	4/ 21	-	-	-	6.2	4/ 5.1	9/ 5.3	9/ 5.2	-
Portuguese Guinea 9/	-	-	-	-	-	28.0	40.7	40.6	46.9	-
Southern Rhodesia	-	4/ 122	158	-	-	-	21.8	55.7	65.0	-
Union of South Africa 13/	56	4/ 252	-	-	-	12.0	39.6	118.5	151.0	187.4
Total 5/	7,360	7,865	9,060	9,265	9,360	1,850.0	2,244.0	2,994.0	3,136.0	3,113.5
OCEANIA										
Australia	4/ 14	28	14	20	39	4/ 6.1	16.2	5.3	9.9	22.1
Total 5/	15	30	15	21	40	6.5	16.5	6.0	10.5	22.5
World total	22,335	26,920	28,750	28,615	29,820	9,569.0	10,810.0	10,784.0	12,010.0	12,050.0

1/ Peanuts in the shell. Southern Hemisphere peanut crops, which are harvested from April to June, are combined with those of the Northern Hemisphere harvested from September through December of the same year. 2/ Figures refer to harvested areas as far as possible. 3/ Preliminary. 4/ Average of less than 5 years. 5/ Includes estimates for the above countries for which data are not available and for minor producing countries. 6/ One year only. 7/ Planted area. 8/ Java and Madura only. 9/ Exports. 10/ Commercial crop. 11/ 1937. 12/ 1948-50. 13/ Production on European farms only.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attaches and other United States representatives abroad, results of office research, and other information.

North American peanut production probably will be one-fourth less than in 1953. The November 1 estimate placed the United States harvest at 535,700 tons, almost one-third less than last year's crop and 13 percent less than the prewar average. Acreage picked and threshed was only slightly lower than in 1953 but hot, dry weather reduced the yield per acre to 708 pounds in contrast to the record yield of 1,031 pounds in 1953. Acreage allotments and marketing quotas continue in effect. According to an unofficial estimate, Mexico's peanut production is up 60 percent from 1953.

Peanut production in Asia should be up possibly 3 percent if indicated increases materialize. India's crop is tentatively placed at 4,256,000 tons from 11.8 million acres, or slightly more than last year's large crop. Indicated acreage is 4 percent above 1953, attributed to adequate and timely rains at planting time. Estimated roughly, China's crop may be around 2.5 million tons, somewhat more than the unofficial estimate of 2.3 million tons last year. Increased plantings have been claimed in Shantung, Hopei, Kiangsu, Kwangtung and Szechuen provinces. The most important edible oilseed producing areas reportedly are not in the regions directly affected by the flood disasters of last summer. In Indonesia production is expected to be well above 1953.

The South American peanut crop, harvested early in the year, showed a sizable increase from 1953. Production in the Argentine, which has increased each year since 1951, again reached a new high with a crop one-fifth larger than in the previous year. An increase of 15 percent is reported for Brazil.

African peanut production probably will approach the 1953 level. Reliable data for most of the important producing areas, however, have not been reported as yet. Some unofficial sources have indicated that the crop in French West Africa may not be as large as last year's output, now revised upward to somewhat over 1 million tons. On the other hand, a number of factors would indicate another large crop, a major one being the favorable weather. The situation with regard to Nigeria is similar. Present prospects are for a good crop, possibly approximating the 950,000 tons estimated to have been produced in 1953.1/ In the Union of South Africa, where peanut production has shown a sharp upward trend, the estimate of 1954 production represents an increase of almost one-fourth from 1953.

1/ Nigerian figures have been revised upward from the estimates previously published by the Foreign Agricultural Service. The revised data include a greater allowance for production consumed domestically--i.e. non-commercial production.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

SWISS INCREASE PRICE OF MILK TO PRODUCERS

Action by Switzerland's Federal Council, based upon recommendations by the Consultative Commission for Agriculture, has resulted in an increase of 10.2 cents per hundredweight of fresh milk to producers. While, in effect, this restores the cut made in May (see Foreign Crops and Markets, May 31, 1954), it is only temporary and has been called a "winter price supplement", good until April 30, 1955; as a result the basic price remains officially the same as reported on May 31. While the dairy farmers and organizations are pleased to have the price of milk restored to its May level, they are objecting to the action as merely a supplemental one which does not change the base price; the use of "winter price supplement" terminology, they believe, will make it easier to reduce prices in the spring.

The Government gives as the reason for raising the price the facts that (1) deliveries of fresh milk in September were more than 2 percent under deliveries for the same month in 1953; (2) at that rate deliveries during the winter would be 5 percent under last year; (3) stocks of cheese and butter have declined; (4) increased calf population will result in more milk being consumed on farms; and (5) fluid milk consumption seems on the increase.

Consumers will not stand the burden of the price increase. The increased charge for milk for cheese will be borne by the Union of Swiss Milk Producers. The Government will stand both the loss due to increased payments by "Butyra", the butter supply cartel, and the increased cost of fluid milk. It is estimated that from November 1, 1954 to April 30, 1955 the total amount of the dairy subsidies will amount to more than $1.6 million, of which about $1.3 million will be from government funds.

The decline in milk production during the summer may or may not have been due to the price reduction effective May 1; a reduced quality hay and more calves on farms may have also caused the drop-off of milk deliveries. It is not expected that milk production will increase substantially before April 30 and therefore it is likely the Government will find it difficult, if not impossible to remove the "winter price supplement".

WEST GERMANY INCREASES BUTTER IMPORTS FROM DENMARK

Contracts for about 5.2 million tons of Danish butter were reported signed by West Germany for delivery during November and December of this year. A contract for another 2.2 million pounds is expected to be signed shortly. During the first 9 months of 1954 West Germany imported slightly more than 5.1 million pounds of Danish butter. If delivery is made on all the newly contracted butter to West Germany before the end of the year, total butter imports from Denmark would amount to approximately 12.3 million pounds, considerably above the imports from the same source of 4.6 million pounds in 1952 and the 4.5 million pounds in 1953.

Denmark is receiving 46 cents a pound from West German sources for this butter, about 4.4 cents over the price obtained under the long term contract with the United Kingdom. The sales are a distinct boon to Danish dairymen at this time since the other secondary markets have been relatively weak in the past few weeks.

NORWAY CONSIDERS CHANGES IN MARKETING ACT

The Norwegian Ministry of Agriculture is proposing several alterations to the forthcoming session of the national parliament in the so-called "Marketing Law" dealing with the promotion and marketing of agricultural products. The law at present, under the authority of a Marketing Board composed of elected members from 10 agricultural societies, is designed to promote the marketing of meat and meat products, milk and milk products, eggs, furs, fruits and vegetables. The Marketing Board may levy a marketing tax, determined yearly by the government, on the marketings of the above products and the funds used to promote further the sales and marketings of those products. The funds from the levies are actually owned by the member organization whose product was taxed, but the money is paid to and administered by the Board; the money, however, has been spent on the product from which it was originally secured by the levy.

The primary change proposed in the law is that a fund should be determined for each commodity tax, and the money would not belong to the commodity organization member, but to the Marketing Board which would no longer be bound to spend it on the commodity on which it was raised. Furthermore, the Ministry of Agriculture has suggested that the tax shall be fixed by the Storting (Parliament) instead of the Government.

It is the opinion of observers that the Ministry's proposals will meet with stern opposition from many of the farm and commodity groups when they are submitted to the Storting.

EGG AND POULTRY PRICES IN THE U.K.

The United Kingdom, the largest importer of egg and poultry products, has the strongest influence on world market prices for these commodities. The British prices are an indication of what the surplus-producing nations are receiving for their products as well as what deficit areas must pay. Some of the European poultry and egg deficit producing countries might be profitably developed as outlets for United States products.

The United Kingdom market has been supplied largely by non-dollar currency areas. The Government has allowed little dollar exchange for imports even though United States prices have been competitive with United Kingdom prices. Furthermore, poultry products, not including eggs, must come from Newcastle-clean countries. This restriction prevents the United States from exporting fresh or frozen poultry to the United Kingdom.

At present United States egg prices are competitive in Britain, even though shell eggs are not considered in short supply there.

Wholesale shell egg prices in London for the week ending October 16, 1954 were:

	Price per dozen U.S. dollars
ENGLISH (Wholesaler to Retailer):	
Large, A's	.80
Standard, B's	.70
Medium, C's	.59
NORTHERN IRISH (Wholesaler to Retailer):	
Large, A's	.70
Standard, B's	.60
Medium, C's	.49
DANISH (Importer to Wholesaler):	
1.8 lb. per dozen	.64
1.65 lb. " "	.59 - .60
1.5 lb. " "	.58 - .59
1.4 lb. " "	.53
1.25 lb. " "	.41 - .42
SOUTH AFRICAN (Importer to Wholesaler):	
1.7 lb. per dozen	.56
1.5 lb. " "	.50 - .51
1.3½ lb. " "	.44 - .45

Frozen egg stocks are large and it is believed that the Ministry of Food itself holds 50,000 tons. Britain has an estimated annual consumption of 40,000 tons of frozen eggs, with a normal stock of 15,000 tons. Because of the large Ministry of Food stocks, the trade is cautious in the purchase of frozen eggs, for fear that the Ministry may lower its prices on sales back to the trade.

Prices of frozen eggs for future delivery were below the spot prices, with imported whole eggs, for delivery later in the year, quoted at 28 cents per pound on October 16, 1954. Spot egg quotations to the first wholesalers, for the week ending October 16, were:

	Price per pound U.S. dollars
Ministry of Food stocks of whole eggs, 73% moisture	.32
French frozen whites " "	.23
French frozen yolks " "	.53 - .54

The market for dried eggs appears to be more sustained than for frozen eggs and there is a possibility that import licenses may be issued for dried whole, spray dried whole eggs, flake albumen and yolks. Wholesale spot quotations for Chinese and Australian supplies, as of October 27, 1954 were:

	Price per pound U.S. dollars landed duty paid ex cold storage
Chinese and Australian:	
Frozen whole egg, 73% moisture	.28 - .29
Frozen whites	.23
Frozen yolks	.54
Chinese:	
Spray dried whole egg, 45/50% fat	.82 - .84
" " " " 40/50% fat	.71 - .74
Flake albumen	1.19 -1.23
Spray dried yolks	1.02 -1.05

The following gives an indication of the prices for poultry that United States exporters must meet in those European countries where dollar exchange is available and disease and other controls do not prohibit imports of products from the United States.

Wholesale Poultry Prices, London, October 27, 1954:

		United States Dollars per pound	
		English Poultry	Imported Poultry
New York dressed Hens	3/3½-lb.	.26 - .28	.27 - .28
	4/4½-lb.	.26 - .28	.28
	5/5½-lb.	.26 - .28	.28 - .29
Eviscerated Hens	3½/4-lb.	.42	
	4½ lb. over	.44	
New York dressed Chickens (Fryers)	2-lb. av.	.39 - .42	.40 - .42
	3-lb. "	.46 - .49	.42 - .44
	5-lb. "	.49 - .51	.44
New York dressed Hen Turkeys	8/14-lb.	.56 - .59	.54 - .56
New York dressed Young Tom Turkeys	16/20-lb.	.49 - .51	.49 - .51
	20/22-lb.)	.42 - .44	
	24/up)		

U.K. DECONTROLS COLD STORAGE INDUSTRY

The cold storage industry of the United Kingdom, which has been under Government control since September 1939, will be returned to private hands on December 24. At that time storage facilities acquired during and since World War II will be operated jointly by a management company of Government and industry representatives. Details of the program have been discussed between the industry and the Ministry of Food.

During the war 47 facilities having 15 million cubic feet of frozen space were built by the government. In addition all private facilities larger than 5,000 cubic feet were licensed; the Ministry controlled the use of the plants and set the storage rates. Now that derationing of all cold storage items has been completed there is little justification for control of the industry by the government.

The Government-built plants will be maintained for use in case of emergency and will be used by the industry as required.

The British Food Ministry has been selling off its stocks of meat acquired when it was the sole importer. The meat trade now will assume responsibility for the storing of meat during the peak marketing period in the fall for withdrawal during the first half of the year when production is seasonally small, as the meat trade has been handed back to private individuals (except for delivery of beef under unfilled contracts and bacon under current long-time contracts.)

The problem of achieving more uniform seasonal meat consumption by consumers is complicated by the fact that a large share of the home production of beef and mutton is from grass-fattened animals. Many of these animals are marketed during the fall and early winter and receipts for slaughter drop off sharply throughout the late winter and spring. Few cattle and sheep are fed for the late winter and spring market. The season peak of hog slaughter also coincides roughly with the period of largest marketings of the other species.

CUBAN MARKET FOR U.S. POULTRY PRODUCTS

The Cuban poultry industry is not self-sufficient, but is advancing substantially. The following statistical data indicate imports of hatching eggs and poultry breeding stock continue to increase while edible poultry products are decreasing. However, in the present quarter domestic production is down and the price of broilers to the farmer has increased from 32 cents per pound, live weight, to over 40 cents per pound. This situation should prevail for another 6 to 8 weeks. Ample supplies should be available after that because of increased baby chick sales this past week.

During 1953 the United States exported to Cuba, duty free, 6,297 live birds for breeding purposes and over 4 1/2 million dozen hatching eggs. Exports of chickens for breeding purposes continue to increase as is also the case with hatching eggs. Baby chick exports for other than breeding purposes have steadily declined, primarily as a result of a 5 cent excise tax on baby chicks and freight advantages for large volume egg shipments.

During 1950, 1951, 1952 and 1953 Cuba imported 360,000 pounds, 670,000 pounds, 60,000 pounds and 90,000 pounds respectively, of live poultry; 320,000 pounds, 370,000 pounds, 660,000 pounds and 300,000 pounds of dead poultry and small game, respectively; and 2.4 million dozen, 5 million dozen, 7.1 million dozen and 4.9 million dozen fresh market eggs. Imports for 1954 are estimated at 70,000 pounds, 280,000 pounds and 4.5 million respectively.

Cuba also in recent years has established feed-mixing plants and corn production has increased. In 1953 Cuba produced about 6,600,000 bushels of corn. Many Cuban farms, no matter how small, produce some corn. Oats, barley, millet and wheat are not produced in Cuba. Occasionally, during years of surplus, a few thousand tons of corn are exported, but never in substantial quantities.

Most processed feeds for poultry and animals are prepared in Cuba from locally-produced and imported material. Current legislation favors the importation of the raw material to be further processed in Cuba.

It is estimated that approximately 20,000 tons a year of soybean oil meal and 20,000 tons of other animal feed material, of which about 25 items containing alfalfa, cottonseed meal and oats comprise over half that amount, are imported for the poultry and dairy trade. Corn, rice, molasses and some wheat bran, provided by Cuba's new flour mill, are the ingredients obtained locally.

CUBA'S EGG HATCHING INDUSTRY

Cuba in the past 4 years has put into operation several hatcheries with a total capacity of over 750,000 dozen eggs per month. Eggs imported for hatching properly stamped with the supplying firms name, enter Cuba duty free, while a 5-cent tax is levied upon all imported animals, including baby chicks. Thus practically all chicks are hatched domestically from eggs imported from the United States. The tax was levied in 1950 for the purpose of augmenting the veterinary retirement fund.

While great sums of money were not forthcoming, this tax indirectly caused the development of Cuba's hatching industry because a locally-hatched chick would price-wise be able to compete favorably. Air freight rates have tended to induce a large quantity of hatching egg shipments from the United States to Cuba as the rate per pound on shipments of 10,000 pounds, or more, is only half as much as in the case of a shipment of less weight.

There are no accurate data as to the number of eggs imported in 1954 for hatching, as eggs for eating are periodically entered duty free; However, 5 million dozen would be a conservative estimate.

There are no hatching records, but those incubating imported eggs state that an average of 70 percent of imported eggs hatch. Hatching egg prices are approximately $1.00 to $1.20 per dozen (f.o.b.), and imported broiler chicks are priced in Havana at around 22 cents each. Certain Cuban hatchers are able to sell chicks at 18 cents each. Most hatchers prefer to sell to medium or small producers as they claim producers with a capacity of 30,000 to 40,000 chicks demand volume purchase prices.

Several large broiler farms have started production in the vicinity of Havana, Camaguey and Santiago. In general these farms are producing a uniform quality product.

CUBAN MARKET FOR U. S. PROCESSED EGGS

The consumption of United States processed eggs in Cuba is chiefly in the manufacture of ice cream and baking products for which the demand is limited. Cuba's imports of processed eggs, however, have increased from 9,000 pounds in 1947 to over 120,000 pounds in 1954.

These imports of processed eggs are subject to the following duties:

Tariff Item		GATT Minimum Tariff	U. S. Preferential Tariff
252-C	Canned, prepared or frozen, whether whole or only the yolks or whites----------	$0.10	$0.09
252-D	Dried eggs, whole or only the yolks-------	0.125	0.10

In addition to these duties, dried eggs also pay a 2 percent consular invoice fee on the f.o.b. value of the goods at the port of shipment and a gross sales tax of 6 percent levied on the value of the goods. Inland and ocean freight plus trucking and handling are comparable to costs in the United States.

GUATEMALA DEVELOPING
HATCHING INDUSTRY

Guatemala, like Costa Rica and certain other countries in Central America, is rapidly developing its poultry industry. Certain poultrymen reportedly feel they are compelled to develop their own hatching industry because of a decline in the livability percentage of baby chick shipments.

They point out that airline connections from the United States unfortunately are not ideal, and certain United States carriers presently do not haul baby chicks. The poultrymen feel, therefore, that it is to their best interest to import hatching eggs and incubate them themselves.

DOMINICAN REPUBLIC'S OUTPUT
OF FATS AND OILS INCREASING

The total domestic production of fats and oils in the Dominican Republic, a net importing country, was around 8,200 short tons in 1953, reports John E. Montel, Assistant Agricultural Attache, American Embassy, Cuidad Trujillo. The principal sources of vegetable oils in the country are peanuts and coconuts, and last year 6,530 tons of peanut oil and 620 tons of coconut oil were produced. While data are not available for 1952, production of peanut and coconut oils in 1951 was 4,220 and 530 tons, respectively. Other important output in 1953 included 350 tons of butter, 210 tons of tallow, and 350 tons of soap stock.

Nearly all of the local production is consumed domestically as exports of fats and oils are insignificant. Consumption of fats and oils from all sources in 1953, excluding peanut oil, was approximately 4,700 tons. In addition, some 20,640 tons of peanuts were utilized by the local oil industry.

(Continued on Page 473)

INDONESIA'S COPRA EXPORTS DURING AUGUST
THE SECOND HIGHEST OF THE YEAR

Indonesia's total exports of copra, including Copra Foundation exports, during August 1954 amounted to 33,668 long tons, an increase of 54 percent from the previous month and 15 percent larger than the volume shipped in August 1953. Shipments during January-August 1954 totaled 201,155 tons or 17 percent more than the 172,036 tons exported in the comparable period of 1953.

The breakdown of the August copra exports by country of destination is as follows: Germany--4,429; the Netherlands--13,818; France--1,984; Czechoslovakia--1,476; Denmark--1,968; Norway--984; Malaya (Penang)--2,086; Singapore--4,659; and Japan--2,264 tons.

INDONESIA: Copra exports, including "Copra Foundation" exports, 1953 and January-August 1954

(Long tons)

Country of destination	1953 January	February	March	April	May	June	July	August	September	October	November	December	Total
Denmark	-	1,581	-	-	-	-	-	-	-	-	-	-	1,581
Germany	5,517	5,000	8,000	2,000	-	3,147	12,122	8,999	8,000	5,000	5,000	4,097	66,882
Netherlands	4,895	6,889	6,397	9,000	1,335	9,388	9,829	7,382	9,819	16,961	8,663	7,659	98,217
Norway	3,000	2,049	2,000	2,000	-	-	3,049	2,000	2,000	-	-	1,049	17,147
Sweden	-	-	-	-	3,147	-	-	4,000	-	3,000	6,500	3,098	19,745
Italy	-	-	-	-	-	-	-	-	-	499	-	-	499
Poland	-	-	-	-	-	-	-	-	-	-	700	-	700
France	-	1,000	-	838	-	4,298	3,626	3,051	500	3,000	-	-	16,313
Japan	591	2,067	2,854	3,149	1,279	296	492	295	787	984	1,476	2,165	16,435
Malaya (Penang)	553	194	420	254	235	303	135	472	604	427	1,502	4,700	9,799
Singapore	1,734	3,251	2,845	3,657	3,766	2,403	2,054	3,196	6,563	6,813	7,348	8,154	51,784
Others	1	-	1	-	-	-	-	-	-	-	-	-	2
Total	16,291	22,031	22,517	20,898	9,762	19,835	31,307	29,395	28,273	36,684	31,189	30,922	299,104

Country of destination	1954 1/ January	February	March	April	May	June	July	August	September	October	November	December	2/ Total
Denmark	-	-	-	-	1,000	-	-	1,968	-	-	-	-	2,968
Germany	4,699	5,498	3,148	7,549	4,000	3,992	2,953	4,429	-	-	-	-	36,268
Netherlands	4,921	4,429	6,200	492	18,407	8,659	7,381	13,818	-	-	-	-	64,307
Norway	-	1,000	-	-	-	-	-	984	-	-	-	-	1,984
Sweden	2,000	2,000	2,098	1,049	2,000	-	-	-	-	-	-	-	9,147
Italy	-	500	-	-	-	-	-	-	-	-	-	-	500
Poland	-	-	-	-	492	-	-	-	-	-	-	-	492
France	600	-	-	1,675	-	-	1,092	1,984	-	-	-	-	5,351
Hungary	-	492	-	-	984	984	984	-	-	-	-	-	3,444
Belgium and Luxembourg	-	-	-	-	-	-	984	-	-	-	-	-	984
Czechoslovakia	-	-	-	-	-	492	-	1,476	-	-	-	-	1,968
Japan	2,657	3,937	3,838	3,937	2,461	492	2,067	2,264	-	-	-	-	21,653
Malaya (Penang)	1,802	1,816	2,214	1,440	1,532	2,335	2,202	2,086	-	-	-	-	15,427
Singapore	3,649	5,049	5,055	4,081	5,270	4,131	4,231	4,659	-	-	-	-	36,125
Hong Kong	-	247	290	-	-	-	-	-	-	-	-	-	537
Total	20,328	24,968	22,843	20,223	36,146	21,085	21,894	33,668	-	-	-	-	201,155

1/ Preliminary. 2/ January-August.

Compiled from official sources.

U. S. Department of Agriculture, Foreign Agricultural Service, Fats and Oils Division.

DOMINICAN FATS AND OILS--(Continued from Page 471)

Imports in 1953 consisted chiefly of 2,864 tons of tallow, 185 tons of other animal fats, 171 tons of olive oil, 1,197 tons of other edible oils, and 20 tons of butter. The animal fats came almost entirely from the United States, the olive oil mainly from Spain, and the other edible oils from Indostan, Mozambique and the Netherlands. Except for one ton from the United States, the butter was from Denmark.

PHILIPPINE COPRA
EXPORTS HIGH FOR YEAR

Philippine copra exports during October totaled 83,607 long tons, the largest quantity shipped in any month so far in 1954. Exports were 13 percent above the previous month and 16 percent greater than the October 1953 tonnage. Total shipments during January-October 1954 amounted to 635,466 tons, almost one-third more than the 479,192 tons exported in the comparable period of 1953.

The breakdown of the October copra exports by country of destination is as follows: United States--24,883 tons (Atlantic-3,174, Gulf-4,022, Pacific-17,687); Canada--2,500; Germany--3,000; the Netherlands--12,650; Europe (unspecified)--19,931; Colombia--12,600; Venezuela--3,143; and South America (unspecified)--4,900 tons.

October exports of coconut oil amounted to 5,565 tons compared with 7,663 tons in September and 6,346 tons in October 1953. The January-October total was 53,329 tons against 45,409 in 1953. October shipments were as follows: United States--5,065 tons (Atlantic-4,065, Pacific-1,000); and Europe (unspecified)--500 tons.

On a copra equivalent basis, exports of copra and coconut oil January through October of this year totaled 720,115 tons, or 31 percent more than the 551,270 tons exported in the same months of 1953.

The following revisions were reported in the September copra figures: Norway--3,000; total 73,938.

The copra export price in mid-October was $165.00 per short ton, c.i.f. Pacific. Local buying prices in Manila were 28.00 to 31.50 pesos per 100 kilograms ($142.25 to $160.03) per long ton.

COTTON CONSUMPTION IN WEST GERMANY
INCREASED 14 PERCENT IN 1953-54

Consumption of cotton in Western Germany during the year ending July 31, 1954, amounted to 1,217,000 bales (500 pounds gross) an increase of about 14 percent over 1952-53 consumption of 1,070,000 bales, according to Adolph Schneider, American Embassy, Bremen. Average monthly consumption for 1953-54 amounted to 101,000 bales as compared with the average of 89,000 bales per month during 1952-53.

Cotton imports of 1,264,000 bales in 1953-54 were 17 percent higher than imports of 1,084,000 bales in 1952-53. Imports from the United States increased to 377,000 bales or 30 percent of the total as compared with 276,000 bales or 25 percent of the total in 1952-53. Other major shifts in West Germany's cotton imports during 1953-54 were increases in quantities received from Brazil, Nicaragua, and Peru, accompanied by reductions in imports from Belgian Congo, British East Africa, India, Pakistan, and Turkey. Latest reports indicate a slight increase in the United States share of Western Germany's cotton imports in August 1954, reaching about 33 percent of the total.

FEDERAL REPUBLIC OF GERMANY: Imports of cotton from major countries of origin; average 1934-38; annual 1949-53.

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1					
	Average 1934-38	1949	1950	1951	1952	1953
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Anglo-Egyptian Sudan	1/	9.9	3.6	0.6	27.8	25.6
Argentina	49.0	1/	2.7	0.4	8.4	10.8
Belgian Congo	12.7	17.9	4.1	37.5	75.9	42.0
Brazil	284.8	3.8	26.5	65.0	.7	213.6
British East Africa	1/	5.7	22.3	35.3	56.9	38.9
Egypt	174.1	70.3	85.8	58.1	126.8	127.9
India	117.6	19.7	1.9	4.5	23.2	7.3
Iran	2/ 21.2	9.5	27.8	11.2	37.8	30.8
Mexico	1/	2.6	10.9	18.9	85.6	89.3
Nicaragua	1/	1/	.3	.7	26.8	54.6
Pakistan	1/	29.3	39.6	30.5	92.4	35.2
Peru	83.2	9.5	19.7	9.2	31.9	55.2
Syria	1/	1/	1.0	3.5	38.5	39.3
Turkey	48.3	75.3	172.5	131.3	134.3	67.4
United States	300.8	789.8	491.9	466.4	275.5	376.7
Other countries	83.3	3.8	19.3	10.6	3/ 41.7	4/ 49.1
Total	1,175.0	1,047.1	929.9	883.7	1,084.2	1,263.7

1/ If any, included in "Other countries". 2/ 4-year average. 3/ El Salvador 20,957 bales. 4/ Afghanistan 23,342 bales.

Source: Der Auswartigo Handel Deutschland and Monathiche Nachweise uber den Auswaritigen Handel and official reports.

Cotton stocks in Western Germany on July 31, 1954, amounted to 259,000 bales or 23 percent above stocks of 213,000 bales held a year earlier. Even with this improved position, however, stocks were still below what the industry considers a satisfactory working level.

Prices of United States cotton during the first 5 months of the 1953-54 season were higher than were those of comparable growths from other countries. Increases in foreign cotton prices since early 1954 resulted in a more competitive position for our cotton during the last half of the season and thus far into the new season. Consequently there has been a notable improvement in Germany's imports from the United States during the latter part of the year.

Unofficial price quotations published weekly in the trade journal Textil-Zeitung indicate roughly the comparable position of United States cotton with other competitive growths on October 18, 1954. Grades and staples shown are not exactly comparable.

Approximate average prices c.i.f. Bremen, October 18, 1954

	Deutch marks per kilogram	Equivalent U.S. cents per pound 1/
United States: Middling 1 inch.....	3.68	39.73
Mexico: Matamoros Strict Middling 1 inch...	3.75	40.48
Brazil: Standard IV.....	sold out	
Turkey: Izmir I A	4.26	45.99
Syria: 1-1/32 to 1-1/16 inch.....	3.83	41.35
lower grades.....	3.58	38.65
Pakistan: Bengal Scinde.....	3.46	37.35
American Seed.....	3.92	42.32
Uganda: A R Bp 52.....	4.30	46.42

1/ Converted on basis 4.20 DM per $1.00.

FRANCE INCREASES COTTON IMPORTS IN 1953-54

France imported 1,383,000 bales of cotton (500 pounds gross) during the year ended July 31, 1954, an 8 percent increase over imports of 1,284,000 bales in the previous year, according to J. E. Charlot, American Embassy, Paris. A decline was registered in imports from the United States, however, both in quantity and percent. Imports of 480,000 bales in 1953-54 representing 35 percent of the total were considerably below 1952-53 imports of 523,000 bales which were 41 percent of the total. Minor declines were also registered for Egypt, Peru, and Paraguay, but these were more than offset by increased imports from Brazil, Argentina, Turkey, Uganda, Iran, and Syria. Imports from the French Colonies increased only slightly.

France's cotton consumption in 1953-54 amounted to 1,330,000 bales, the highest on record, or 16 percent more than consumption of 1,148,000 bales in 1952-53. The monthly average for 1953-54 was 111,000 bales as compared with 96,000 in 1952-53. Consumption of 85,000 bales in August 1954 represented a seasonal low point because of employee vacations but it was 6,000 bales above the 79,000 consumed in August 1953. Mill operations are expected to continue at last year's high level during 1954-55.

Spindle activity was reported at 6.6 million out of 7.7 million spindles in place, and twister activity at 0.6 million out of 0.8 million twisters in place. Of the 6.6 million active spindles, 40 percent were operated on a one-shift-a-day basis, 57 percent on 2 shifts, and 3 percent on 3 shifts. Of the 0.6 million active twisters, 52 percent were operated 1 shift a day, 43 percent 2 shifts, and 5 percent 3 shifts a day.

FRANCE: Imports of cotton from major countries of origin; average 1935-39; annual 1949-53
(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1					
	Average 1935-39	1949	1950	1951	1952	1953
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Brazil and Argentina	1/ 90	1/ 28	112	84	8	127
East Equatorial Africa	22	2/	2/	2/	2/	2/
Egypt	243	202	109	129	301	246
French Colonies	36	104	127	151	152	163
India and Pakistan	3/ 194	141	99	70	92	95
Mexico	2/	0	29	201	9	5
Peru	4/ 9	1	10	50	5/ 37	5/ 30
Turkey	2/	6/ 54	6/ 68	7/ 168	7/ 142	7/ 237
United States	669	796	469	353	523	480
Other countries	27	0	0	8/ 0	8/ 20	0
	1,290	1,326	1,023	1,206	1,284	1,383

1/ Brazil. 2/ If any, included in "Other countries." 3/ British India. 4/ 4-year average. 5/ Peru and Paraguay. 6/ Turkey and Uganda. 7/ Turkey, Uganda, Iran, and Syria. 8/ 13,000 bales from Sudan.

Source: Statistique Mensuelle du Commerce Exterieur de la France and Foreign Service reports.

France's cotton stocks on August 31, 1954, were reported at 365,000 bales, an approximate 3-month supply, and about 20 percent higher than stocks of 305,000 bales on August 31, 1953. Stocks of United States cotton however, were disproportionately low, amounting to 112,000 bales or 30 percent of total stocks on August 31, 1954, as compared with 135,000 bales or 44 percent of the total held a year earlier.

The following prices for cotton were established by the Cotton Import and Distribution Office (GIRC) for October deliveries in fulfillment of allocations. Prices were quoted in French francs per kilogram, net weight, ex GIRC warehouse, and generally reflect the average prices paid by GIRC for such growths during the preceding month.

(Continued on next page)

Prices effective October 1, 1954 1/

	French francs per kilogram	Equivalent U. S. cents per pound 2/
United States and similar:		
Strict Middling 1 inch rain-grown (medium staple)	332	43.03
Strict Middling 1-1/8 inch rain-grown (long staple)	350	45.36
Egypt and similar:		
F.G. Ashmouni 2 (medium staple).....	415	53.78
F.G. Giza 30 (medium staple).....	435	56.38
F.G. Karnak 155 (long staple).....	505	65.45
Extra Karnak 151 (very long staple).....	538	69.72
Sea Island:		
Antigua (very long staple).....	650	84.24
India-Pakistan:		
Bengal Fine.....	284	36.81
Pakistan 289 F medium RG/SG.....	350	45.36

1/ Source: Bulletin Officiel des Services des Prix, October 2, 1954.
2/ Converted on basis 350 French francs equal $1.00.

EGYPT'S COTTON HARVEST NEARS COMPLETION

Picking of the 1954-55 cotton crop in Egypt is now nearly complete and private estimates of total production average a little above 1,600,000 bales (of 500 pounds gross). These estimates indicate that the current crop will be about 10 percent larger than the unusually small crop of 1,461,000 bales produced in the previous year.

A final official production estimate for this year's crop will not be available until June 1955, but it has now been confirmed that the heat wave in August caused considerable damage to the cotton crop, both as to yields and quality. As a result it is reported that the percentage of high grades will be lower than last year.

In addition to the August heat wave, the amount of water available for irrigating the cotton crop was below normal. An increased acreage of rice, plus the drain on water for other agricultural purposes during the heat wave, deprived cotton of water which would normally have been used on that crop. Attacks of the pink bollworm are also reported to have been more severe than last year and damage to the crop was considerable.

Stocks of cotton on September 1 (beginning of Egypt's cotton year) totaled only 345,000 bales as compared to 710,000 bales on this date a year ago. Exports from September 1 to October 6 totaled 46,000 bales, or 3,000 bales above the total figure for a similar period in 1953. Consumption during the 5 weeks, September 1 to October 6, 1954, is reported to have been 10,000 bales below the 37,000 bales consumed in a similar period a year ago.

NETHERLANDS REDUCES 1955-56 PRODUCER PRICE FOR WHEAT

The guaranteed fixed producer price for Netherlands wheat of the 1955-56 crop has been set at 25.00 guilders per quintal ($1.79 per bushel), sound average quality basis, according to George J. Dietz, Agricultural Attache, American Embassy, the Hague. The new price represents a 4 percent reduction compared with the price of 26.00 guilders per quintal ($1.86 per bushel) guaranteed to growers since the 1952-53 crop year.

The reduction is designed solely to check the trend of increasing wheat production and is not indicative of a general reduction in grain producer prices. On the contrary, official prices for other domestic grains for the 1955-56 crop year are expected to remain at present levels in guilders per quintal, i.e., rye, 24.25 ($1.62 per bushel); barley, 22.50 ($1.29 per bushel); and oats, 21.00 ($0.80 per bushel). Official prices of these grains are not guaranteed but maintenance is aimed at through indirect support measures in contrast to direct controls which guarantee the producer wheat price.

The fixed producer price for wheat is maintained by import control, compulsory milling of the domestic crop, and Government purchases of local production. Imports are limited to types and quantities that will insure the full utilization of the domestic soft wheat crop. In order to insure equitable distribution of imported wheat, the delivered price for such wheat is the same to all mills regardless of location.

Current milling regulations require the minimum admixture of 35 percent domestic wheat by millers in breadflour production. This is a higher rate than in the past and was made necessary by increased local production. As an additional price safeguard, the Government may enter the market and purchase wheat at the guaranteed price.

Increased wheat production resulting from domestic wheat price support operations has created serious problems in the Netherlands. Since prices for imported wheat are on the basis "ex mill" and those for indigenous wheat on the basis "ex local market", the large mills located in ports are at a disadvantage compared with small mills situated in wheat producing areas. High freight rates for local wheat have greatly increased production costs for large mills as a result of the high admixture requirements.

In contrast, many small mills in producing areas have very low or no freight costs for domestic wheat. This, together with the fact that small mills were generally built to produce flour types requiring little or no foreign wheat, results in wide profit margins for such small mills. A further problem resulting from the high compulsory admixture of domestic soft wheat is that under these circumstances millers prefer the more expensive Canadian Manitoba wheats for blending.

In order to maintain "aimed-at" or so-called "directional" producer prices for rye and coarse grains minimum import prices and import charges are fixed for these and other imported coarse grains. To insure full utilization of locally produced grain at directional prices, established minimum prices for imported rye and coarse grain are fixed at slightly higher levels than for domestic grain. In operation, charges are levied to absorb the differences between the cif costs and fixed minimum internal prices. Such charges include fixed permanent and administrative levies and a variable import levy reflecting the difference between the prevailing cif cost and the fixed minimum price for each imported grain.

PHILIPPINE COPRA QUALITY IMPROVEMENT PROGRAM

The Philippine Coconut Administration (PHILCOA) is sponsoring a program to improve the quality of copra produced in the Philippines. The immediate impact of this program conceivably could result in a great decrease in the quantity of copra available for export from the Philippines in 1955.

At a recent meeting of PHILCOA, where the copra problem was being discussed, the Secretary of Agriculture and Natural Resources proposed that a penalty be assessed against farmers producing low quality copra. He stated that he believed that in no other way could the desired improvement be brought about in a relatively short period of time. Consequently, PHILCOA has announced that after April 30, 1955, poor quality copra will not be certified for export. In addition, PHILCOA has indicated that copra exporters may be fined if they purchase any copra of inferior quality.

To better implement the execution of this measure, on October 12 PHILCOA took over from the Bureau of Commerce the responsibility of inspecting and classifying copra for export.

To assist farmers in the adoption of better methods of drying their copra, PHILCOA is recommending the use of mechanical copra dryers which have proved satisfactory. PHILCOA is also proposing to take over the management of appropriately located plantations in order to demonstrate that by proper production methods a much greater income can be obtained by the producers.

The April 30 deadline has caused a wave of protest by exporters as well as farmers. It is considered impossible for farmers, who in their lifetime have been producing copra according to the old method, to change suddenly to an entirely different procedure. PHILCOA proposes to use newspapers, radio, and rural schools as means of bringing the urgency of this matter to the attention of all copra producers. PHILCOA will do what it can, in the limited time, to instruct farmers as to the proper method of drying the copra and of warning them against harvesting coconuts prematurely.

If the low grade copra is not accepted for export after April 10, 1955, it will undoubtedly mean the virtual confiscation of a large percentage of production. It will also result in a great decrease in the amount of copra available for export.

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PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Issued recently and available free upon request from the Foreign Agricultural Service, U. S. Department of Agriculture, Washington 25, D. C.

Foreign Agriculture magazine, November issue.

Hog Slaughter in Specified Countries. Foreign Agriculture Circular FLM 12-54.

Mozambique Sisal Industry Planning to Meet Depressed World Prices. Foreign Agriculture Circular FVF 24-54.

Mexico Begins Record Coffee Harvest. Foreign Agriculture Circular FCB 27-54.

Indicated Production of Eggs in Specified Countries, 1954. Foreign Agriculture Circular FPE 4-54.

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LATE NEWS

(Continued from Page 549)

Cotton mill consumption in Canada during October 1954 amounted to 28,000 bales (500 pounds gross) or about 10 percent below consumption of 31,000 bales in September. Cotton consumption in October 1953 amounted to 27,000 bales. Consumption for the 3-month period August-October 1954 amounted to 84,000 bales, or slightly above consumption of 82,000 bales during the corresponding period of 1953.